
A BILL FOR AN ACT

RELATING TO CONTRACTING FOR PUBLIC FACILITIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 36-41, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (b) to read:

4 "(b) Any agency may enter into a multi-year energy
5 performance contract for the purpose of undertaking or
6 implementing energy conservation or alternate energy measures in
7 a facility or facilities[+] or for a vehicle or vehicle fleet.

8 An energy performance contract may include but shall not be
9 limited to financing options such as leasing, lease-purchase,
10 financing agreements, third-party joint ventures, guaranteed-
11 savings plans, or energy service contracts, or any combination
12 thereof; provided that in due course the agency may receive
13 title to the energy system being financed. Except as otherwise
14 provided by law, the agency that is responsible for a particular
15 facility, vehicle, or vehicle fleet shall review and approve
16 energy performance contract arrangements for the facility[+],
17 vehicle, or vehicle fleet."



2. By amending subsection (d) to read:

"(d) For purposes of this section:

"Agency" means any executive department, independent commission, board, bureau, office, or other establishment of the State or any county government, the judiciary, the University of Hawaii, or any quasi-public institution that is supported in whole or in part by state or county funds.

"Energy performance contract" means an agreement for the provision of energy services and equipment, including but not limited to vehicles, building, or facility energy conservation enhancing retrofits, water saving technology retrofits, ~~[and]~~ alternate energy technologies, and vehicle fueling or charging infrastructure, in which a private sector person or company agrees to finance, design, construct, install, maintain, operate, or manage energy systems or equipment to improve the energy efficiency of, or produce energy in connection with, a facility, vehicle, or vehicle fleet in exchange for a portion of the cost savings, lease payments, or specified revenues, and the level of payments is made contingent upon the verified energy savings, energy production, avoided operations and maintenance, avoided energy equipment replacement, avoided fuel, or any



1 combination of the foregoing bases. Energy conservation
2 retrofits also include energy saved off-site by water or other
3 utility conservation enhancing retrofits.

4 "Facility" means a building or buildings or similar
5 structure, including the site owned or leased by, or otherwise
6 under the jurisdiction of, the agency.

7 "Financing agreement" shall have the same meaning as in
8 section 37D-2.

9 "Guaranteed-savings plan" means an agreement under which a
10 private sector person or company undertakes to design, install,
11 operate, and maintain improvements to an agency's facility or
12 facilities and the agency agrees to pay a contractually
13 specified amount of verified energy cost savings.

14 "Vehicle" means every device in, upon, or by which any
15 person or property is or may be transported or drawn upon a
16 highway, but excludes mopeds and devices moved by human power or
17 devices used exclusively upon stationary rails or tracks.

18 "Vehicle fleet" means two or more vehicles, which may or
19 may not be of the same make, model, or type.

20 "Verified" means the technique used in the determination of
21 baseline energy use, post-installation energy use, and energy



1 and cost savings by the following measurement and verification
2 techniques: engineering calculations, metering and monitoring,
3 utility meter billing analysis, computer simulations,
4 mathematical models, and agreed-upon stipulations by the
5 customer and the energy service company."

6 SECTION 2. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Vehicles; Energy Efficiency; Performance Contracts

Description:

Allows agencies to enter performance contracts to undertake or implement energy conservation or alternate energy measures for vehicles and vehicle fleets. Amends definition of energy performance contract to include vehicles, vehicle fueling or charging infrastructure, and vehicle fleet. Defines vehicle and vehicle fleet. Effective 7/1/2050. (SD2)

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